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Letter dated 7 February 2004 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 3 November 2003 (S/2003/1062). The Counter-Terrorism Committee has received the attached fourth report from the Republic of Korea submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex). I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Inocencio F. **Arias**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

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Annex

Letter dated 4 February 2004 from the Permanent Representative of the Republic of Korea to the United Nations addressed to the Chairman of the Counter-Terrorism Committee

With reference to your letter, dated 22 October 2003, requesting further information on the implementation of Security Council resolution 1373 (2001), I have the honour to enclose herewith a further supplementary report from the Government of the Republic of Korea (see enclosure).

(*Signed*) **Kim** Sam-hoon
Permanent Representative

Enclosure

Supplementary Report by the Republic of Korea to the Counter-Terrorism Committee pursuant to the Security Council Resolution 1373 (2001)

I. Implementation measures

1.1 Paragraph 1 of the Resolution decides that States shall prevent and suppress the financing of terrorist acts. Paragraph 2 of the Resolution decides that States shall ensure that any person who participates in the financing, planning, preparation, or perpetration of terrorist acts... is brought to justice. The CTC is pleased to note the comprehensive measures outlined in the draft Anti-Terrorism Bill, enumerated on pages 3 and 4 of its third report, and looks forward to receiving a copy of the draft bill as noted at page 4 of the same report.

The draft Anti-Terrorism Bill was approved by the Intelligence Committee of the National Assembly in December 2003. The Bill currently remains in the Justice Committee. We expect the National Assembly will soon review and approve the bill. The full text will be submitted to the CTC as soon as the draft is finally approved.

1.2 Sub-paragraph 1 (a) decides that States shall prevent and suppress the financing of terrorist acts. The CTC is pleased to note, relative to paragraph 1.5 on page 5 of its third report, that the Republic of Korea has reporting mechanisms in place for suspicious transactions, structuring of financial transactions and investigative response mechanisms. In this regard, the CTC would be pleased to know if the Republic of Korea has already or intends to put in place cash or negotiable instrument reporting requirements for domestic financial institutions.

At present, in accordance with the Financial Transaction Reports Act, domestic financial institutions have an obligation to report suspicious transactions only. The Korean Financial Intelligence Unit (KoFIU) plans to introduce a reporting system for significant cash transactions starting from 2004, under which financial institutions shall be required to report transactions of cash and cashier's checks exceeding a certain threshold, whether they are suspicious or not.

1.3 The CTC, in regard to sub-paragraph 1 (a), is pleased to note that the Republic of Korea outlawed alternative payment systems or informal value systems such as "hawala". The CTC would be pleased to know the measures which the Republic of Korea has taken to ensure alternative payment systems are no longer functioning within its borders as a method of financing terrorism.

Article 66 of the Banking Act stipulates that any person who performs remittance services without obtaining governmental authorization shall be punished by imprisonment for not more than five years or by a fine of not more than two hundred million won.

In accordance with paragraph 2 of Article 5 of the Punishment of Violence, etc. Act, any person who contributes any funds for terrorist acts shall be punished by imprisonment for a definite term of not less than three years.

In particular, Article 8 and 12 of the Proceeds of Crime Act stipulate that any funds related to terrorist acts shall be seized and/or frozen.

1.4 For the effective implementation of sub-paragraph 1 (a), without disclosing any sensitive information, has the Republic of Korea developed any special strategy or investigative tools to enable various agencies such as the Police, the Customs, the Anti-Money Laundering Department, as well as the Central Bank to effectively prevent resources from being transferred to terrorists other than those mentioned in your preceding reports? (For example, tools to detect the following types of money laundering: trade based, real estate, over and under invoicing of imports and exports, alternative remittance systems, such as Hawala, etc.)

Beginning July 2003, KoFIU has updated its existing electronic analysis system (called KoFIS) with an aim to improving detection of terrorist financing. Once the lists of terrorists are in the system, the "alert function" of KoFIS, which is connected to the database of foreign exchange trades and suspicious transactions, automatically works to expose terrorist financing.

1.5 The CTC would be grateful if the Republic of Korea would supply information relating to the matters, set out immediately below, for the period 1 January 2001 until the present:

a) The number of arrests of terrorists or their supporters;

b) The value of funds and assets frozen in relation to individuals and entities identified as terrorists or terrorist organizations;

c) Brief examples of successful terrorism and terrorist financing investigations/prosecutions that could be made public.

We don't have any information to share in this regard.

1.6 Sub-paragraph 2 (b) decides that States shall take the necessary steps to prevent terrorist acts. Sub-paragraph 3 (d) calls upon States to become parties as soon as possible to the relevant international conventions and protocols relating to terrorism. The CTC is encouraged by the Republic of Korea's enthusiasm in ratifying or acceding to all of the International Instruments related to the Prevention and Suppression of Terrorism. The CTC would be pleased to receive an outline of the Act on the Punishment of Terrorist Bombing and the Financing of Terrorism when the draft bill is submitted to the National Assembly, as mentioned in paragraph 1.17, at page 11 of the third report.

The Government of the Republic of Korea is still in the process of enacting the Act on the Punishment of Terrorist Bombing and the Financing of the Terrorism. The Korean government plans to submit the draft Act to the National Assembly as soon as the two related International Conventions, the International Convention for the Suppression of Terrorist Bombing and the Convention for Suppression of the Financing of Terrorism, are ratified by the National Assembly.

Even though the draft Act has not yet been presented to the National Assembly, terrorist acts, including terrorist bombing or financing, could be properly punished through existing legal instruments such as the "Criminal Code", "Punishment of Violence, etc. Act", and "Proceeds of Crime Act."

1.7 With reference to sub-paragraph 2 (e) of the Resolution, States are required to ensure that any person who participates in the financing, planning, preparation or perpetration of terrorist acts is brought to justice. Could the Republic of Korea, without disclosing sensitive information, provide the CTC with an outline of its laws relating to cyber-crimes as well as an outline of the provisions that prevent terrorists from misusing the Internet?

In order to prevent cyber-crimes and malicious use of the Internet by terrorists, the Republic of Korea has enacted and enforced a number of acts, including the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc., and the Information and Communication Infrastructure Protection Act.

First, as to hacking, in cases of infiltrating the information and communication system without any justifiable right to access or beyond a permitted right to access, a person is subject to imprisonment for not more than 3 years or a fine not exceeding 30 million won (Paragraph 1 of Article 48 and Item 1 of Article 63 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.).

Also, as to the distribution of computer viruses and denial of service attacks, in cases of transmission or distribution of programs that can damage, disrupt, alter, or forge information and communications systems, data, programs, etc. or hinder their operation, or in cases of causing trouble to the information and communication system by sending a large volume of signals or data, having unlawful commands processed, or any other computer programming solely in order to hinder the stable operation of the information and communication systems, a person is subject to imprisonment for not more than 5 years or a fine not exceeding 50 million won (Paragraph 2 and 3 of Article 48 and Items 4 and 5 of Article 62 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.).

Further, in cases of damage to the information of another person that is processed, stored or transmitted through the information and communication system, or in case of infringement, stealing or release of private information, a person is subject to imprisonment for not more

than 5 years or a fine not exceeding 50 million won (Article 49 and Item 4 of Article 62 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.).

If the representative of a corporation, or the agent, the user, or the employee of a corporation or an individual violates the law in connection with the business of such corporation or the individual, the corporation or the individual may also be punished by a fine described in the relevant articles in addition to the punishment of the actor (Article 66 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.).

In the meantime, information and communication systems specially protected by the country, such as electronic control and management systems related to the areas of national security, administration, national defense, public peace and order, finance, communication, transportation, energy, etc., are designated and protected by the country as critical information and communication infrastructure facilities. And if such a critical information and communication infrastructure facility is the target of hacking, distribution of computer viruses, denial of service attacks, etc., a person is subject to imprisonment for not more than 10 years or a fine not exceeding 100 million won (Articles 12 and 28 of the Information and Communication Infrastructure Protection Act).

Within the next year, the Republic of Korea is planning to introduce an information security audit system for information service providers to enhance the protection of the information system and the Internet against cyber attacks by terrorists.

1.8 The CTC would be grateful for an outline of any specific training, without disclosing any sensitive information, that the Republic of Korea may have developed for its administrative, investigative, prosecutorial and judicial authorities that may cover the following topics:

a) The typologies and trends in terrorist financing methods and techniques;

b) Techniques for the tracing of assets, which represents the proceeds of crime or have been used to finance terrorism, with a view to ensuring that such property is frozen, seized or confiscated; and

c) Anti-terrorism operations.

No specific training exists within the administrative, investigative, prosecutorial and judicial authorities to cover these topics.

1.9 Sub-paragraph 2 (g) requires effective border controls and sub-paragraph 2 (e) requires States to ensure that any person who participates in the financing, planning, and perpetration of terrorists acts is brought to justice. Could the Republic of Korea provide and outline of how it processes imports and exports and what steps it takes to target for inspection or interdiction high right cargo

that may aid in the commission of terrorist acts or in the financing of them? In regard to illegal outbound movements of currency, negotiable instruments, gold and other high value materials that may provide financial support to terrorist groups, have any coordinated multi-agency law enforcement operations being undertaken to carry out these interdictions? Without compromising any sensitive information, could the Republic of Korea provide examples of any such successful operations?

- **Smuggled diamonds are regarded as high-risk cargo that may aid terrorist financing. Therefore, imports and exports of diamonds necessitate a Kimberly Process Certificate that shows the identity of the importer or exporter and the schedule of shipment.**

  Imports and exports of diamonds are to be processed by comparing and verifying the actual goods with the Kimberly Process Certificate issued by the exporting country.

- **Any firearm or gunpowder with high possibility of being used for terrorist purposes shall be imported or exported only after the permission by the Head of the National/Local Police Agency in accordance with paragraph 1 and 2 of Article 9 of the Act on the Regulation of Firearms, Swords, and Gunpowder.**

  On the basis of the Customs Law, firearms and gunpowder are specified as goods to be declared by the Head of the Customs Office, and shall not clear customs without a trade declaration by the Head of the National/Local Police Agency.

  In order to suppress illegal transactions of firearms or gunpowder, trade permission is restricted to the manufacturers, salespersons, and national or local autonomous entities that are unlikely to be hazardous to public security.

  Those for military use (as permitted by the Ministry of National Defense) are exceptions according to paragraph 3 of the Act on the Regulation of Firearms, Swords, and Gunpowder.

- **In order to combat money laundering and terrorist financing, KoFIU biannually holds a meeting of "the policy consultation committee." High-ranking officials from various authorities, such as the Public Prosecutors' Office, the National Police Agency, the National Tax Service, the Korea Customs Office, and the Financial Supervisory Commission, attend this meeting.**

  - **KoFIU also holds a quarterly consultation meeting of working-level officers from law enforcement agencies.**

1.10 Sub-paragraph 2 (g) of the Resolution, decides that States shall prevent the movement of terrorists or terrorist groups by effective border controls. The CTC would be pleased to know what procedures or equipment the Republic of Korea has in place at its borders to identify fraudulent or counterfeit passports. The CTC is encouraged by the Republic of Korea's new passport system, referred to at paragraph 1.14 on page 9 of the third report. Could the Republic of Korea inform the CTC as to the measures it has in place or plans to put in place to ensure that its visas are not being fraudulently issued, thereby creating an opening for terrorist abuse?

Beginning April 2004, the Korean government will adopt passport issuance system of a photo-transcription process to prevent fraudulent acts of replacing photographs. We are also utilizing sticker type visas in order to clamp down on visa forgery.

1.11 The CTC was pleased to note, as cited at paragraph 1.13 on page 9 of the Republic of Korea's third report, that it uses automated systems to disseminate terrorist watch lists to border locations. The CTC would be pleased to know what procedures exist to compare these terrorist lists with other databases, such as customs importers and exporters, drivers' licenses and vehicle registrations and other automated systems with a view to identifying known or suspected terrorists.

No such procedure to compare the terrorist watch lists with other databases exists at present.

1.12 In regard to sub-paragraph 2 (g) of the Resolution, the CTC would be grateful for an outline of any procedures that the Republic of Korea has established for supplying advance information concerning international cargo and passenger information to its relevant authorities and to those of other States to enable them to screen for prohibited cargo and suspected terrorists before unloading or disembarkation.

We have not yet established a specific system to supply advance information concerning suspicious international cargos and passengers to other countries.

1.13 Could the Republic of Korea, in regard to sub-paragraph 2 (g) of the Resolution, please provide the CTC with an outline of the legislative provisions regarding the granting of citizenship and other civic rights in the Republic of Korea? Can a foreigner, who is granted citizenship or other civic rights in the Republic of Korea, change his or her name? What precautions are taken to establish the true identity of a person before new identity papers are issued? Additionally, what measures are in place to prevent marriages of convenience between foreigners and citizens of the Republic of Korea, as well as the use of fraudulent marriage documents to obtain citizenship?

- *Main elements of provisions granting the citizenship of the Republic of Korea*

  - **Naturalization**

    The term naturalization shall mean the procedure through which a foreigner may acquire the nationality of the Republic of Korea by the permission of the Minister of Justice.

    Any person who wants to naturalize shall first meet the requirements as prescribed by the Nationality Act, then file an application to the Minister of Justice. Only after the permission does he become a national of the Republic of Korea.

    In order to acquire the permission of naturalization, a foreigner shall meet following requirements.

    - **(1) A person shall have sustained domicile in the Republic of Korea for five or more years consecutively; (2) a person shall be of majority (over 20-year-old) pursuant to the Civil Act of the Republic of Korea; (3) a person shall be of good conduct; (4) a person shall be able to sustain livelihood with his property, ability or family who lives together; and (5) a person shall have basic knowledge as a national of the Republic of Korea, such as Korean language ability and understanding about Korean custom.**

    Where an applicant of naturalization has special connection with the Republic of Korea by blood or band, in such cases as: a parent was a national of the Republic of Korea; either father, mother, or spouse is currently a national of the Republic of Korea; or the applicant has been born in the Republic of Korea, he may obtain the permission without much regard to the requirements (Article 6 and 7 of the Nationality Act).

  - **Reinstatement of Nationality**

    A foreigner who once was a national of the Republic of Korea may acquire the nationality of the Republic of Korea through obtaining permission of reinstatement of nationality by the Minister of Justice. The Minister of Justice shall not issue permission of reinstatement of nationality to any person (1) who has inflicted any harm to the State and society; (2) who is of bad conduct; (3) who has forfeited or abandoned the nationality of the Republic of Korea for the purpose of evading military service; and (4) whom the Minister of Justice regards as inappropriate to be permitted for the sake of national security, stability, or public welfare (Paragraph 1 and 2 of Article 9 of the Nationality Act).

- *As to changing the name of the foreigner who has been naturalized*

A foreigner shall use the name reported in the passport when applying for the permission of naturalization. After the acquisition of the permission, a naturalized citizen shall use the same name as in the passport to register to his family register.

Where a naturalized citizen feels it will be inconvenient living with his foreign name, he may apply to the Court of Family Affairs to change his name. Only when the court acknowledges the inconvenience may the applicant change his name (Article 113 of the Family Registration Act).

- *Measures to determine whether an applicant is confirmed to meet the requirements as prescribed by the Nationality Act before issuing new identification certifications*

When a foreigner files an application for naturalization permission, the Minister of Justice may request necessary information regarding the applicant from the relevant agency, for example, the applicant's personal background and criminal history can be reported by the Police Agency, and the applicant's situation during his stay in Korea by the Immigration Bureau (Paragraph 1 of Article 4 of the Nationality Enforcement Ordinance).

Based on the investigation described above, the Minister of Justice shall permit naturalization or reinstatement of nationality (Paragraph 3 of Article 4 of the Nationality Enforcement Ordinance).

A permitted applicant of naturalization may not receive a new identification card unless he renounces his original nationality.

- *Measures to prevent improper marriage relationship for the purpose of the acquisition of nationality*

Under the Nationality Act, a foreigner whose spouse is a national of the Republic of Korea shall submit an application for naturalization to the Minister of Justice only when he has resided in the Republic of Korea for not less than two years consecutively under the state of marriage with a spouse or when three years have lapsed after marriage with at least one year of residence in the Republic of Korea during that marriage (Paragraph 2 of Article 6 of the Nationality Act).

Where a foreigner whose spouse is a national of the Republic of Korea files an application for naturalization, the Minister of Justice shall first determine whether the marriage relationship is proper through the investigation of the applicant's personal background, criminal history and current situation during his stay in Korea (Paragraph 2 of Article 4 of the Nationality Act). Where the marriage relationship is proved improper by the naturalization-screening test, the applicant shall not be permitted of naturalization.

1.14 The CTC would be pleased to know if the Republic of Korea could explain what procedures, other than those previously mentioned, it has in place to protect its identity documents, for example: birth certificates, marriage certificates, drivers' licenses and vehicles registrations etc. to ensure against theft, fraudulent issuance or other abuses, which may support terrorist activity.

Since forgery of the resident cards and the use of such cards have caused spill-over crimes, the National Police Agency has jurisdiction over crimes related to the forgery of the resident cards and crimes using forged resident cards (i.e. real estate fraud, illegal loans, and illegal issuance of visas).

1.15 As noted at page 13 of the second report, sub-paragraph 2 (a) decides that States shall take measures to eliminate the supply of weapons to terrorists. In that context, the CTC is pleased to see that the Republic of Korea has in place a regulatory and enforcement system to ensure that hazardous or toxic chemical, biological, and radiological materials and their waste products do not fall into the hands of terrorists. In that regard and without compromising sensitive information, could the Republic of Korea, inform the CTC of any programs, special procedures or personnel it has in place with a view to providing the appropriate safety and law enforcement responses in the event that such illegally diverted material is detected? If such an eventuality happened, the CTC would be pleased to know what procedures there are to notify other States. If the Republic of Korea does have such capabilities, would the Republic of Korea be able or willing to assist other countries to prepare for such eventualities?

- ***Control of hazardous materials and waste***

According to the 'Hazardous Chemicals Management Act', chemicals are classified into 4 specified poisonous substances, 55 restricted substances, and 542 poisonous substances for different managements.

- **The Minister of Environment may prohibit or restrict manufacturing and import or use of Specified Poisonous Substances which are likely to inflict especially serious danger or injury to human health or the environment.**
- **A person who desires to import poisonous substances shall report to the Minister of Environment the exact items and the quantity of the materials.**
- **The operator of a business dealing in poisonous substances should keep track of the level of their daily production and circulation, and maintain solid lock systems to prevent potential robbery of toxic substances.**

According to the Act on the Control of Trans-boundary Movement of Hazardous Wastes and Their Disposal;

- **Trade in hazardous wastes requires authorization beforehand, and the import/export of waste that could inflict significant danger to humans or the environment is strictly prohibited.**
- **The authorities concerned may order importers and exporters in violation of the above to transport the wastes within a fixed period of time.**

- ***Control of radioactive materials and waste***

The Republic of Korea has a radioactive isotope (RI) inventory management system to prevent the occurrence of lost, stolen or orphan sources which can be misused by terrorists. The government issues restrictions regarding practices involving radioactive materials, including receipt, possession, import, export, use, transfer and disposal.

Based on article 65 of the Atomic Energy Act, sealed and unsealed radioactive isotopes and radiation generators managed by the licensees are authorized. Also the licensee should periodically report on their receipt, possession, import, export, use, transfer, and disposal of RI materials, etc. (Article 105 of Atomic Energy Act and Article 125 of Enforcement Regulation of the Atomic Energy Act). Management status of sealed RI sources, unsealed RI sources and radiation generators should be reported quarterly and sales report of unsealed RI sources and radiation generators should be reported monthly. The Cyber Radioactive Isotope Safety Information Center at Korea Institute of Nuclear Safety (KINS) supports the reporting process based on article 12, Notice of Minister of Science and Technology 2002-03. Article 99-2 of the Atomic Energy Act limits possession, transfer and acquisition of RI sources. Those limits include importer restrictions (only by members of the Korea Radioactive Isotope Association), custom's clearance on import, etc. Also, based on article 67 of the Atomic Energy Act, licensees must have facility inspection before operation and periodic inspections after operation commences.

The Cyber Radioactive Isotope Safety Information System enables detailed tracking of individual RI sources. The modules of the systems are 1) Licensee Safety Management System with RI source management for the licensee, 2) Radiation Safety Regulation System of the licensee, 3) Cyber Information System, and 4) RI Source Tracking System (which is used for the regulator's RI source management.)

Where the RI materials are lost or stolen, the licensee shall report it to the Minister of Science and Technology without delay (Article 102 of the Atomic Energy Act). Also, whoever finds RI materials or RI suspected materials, or discovers a fire or accident of a vehicle (or ship) carrying RI materials, shall immediately report it to the Minister of Science and Technology, local government, fire department, police or the nearest site military authority (Article 22 of the Law for Physical Protection and Radiological Emergency).

In those cases, the licensee should perform all safety measures in cooperation with concerned organizations (police, fire department, etc.). A task force team dispatched from the KINS will provide technical advice to secure, recover and dispose the RI materials at a designated disposal site.

Based on the Convention on Early Notification of a Nuclear Accident, in the event of an accident for the following cases, the Republic of Korea will forthwith notify, directly or through the International Atomic Energy Agency (IAEA), those States which are or may be physically affected and the agencies in charge of the nuclear accident of its nature the time of its occurrence and its exact location where appropriate.

- **any nuclear reactor wherever located**
- **any nuclear fuel cycle facility**
- **any radioactive waste management facility**
- **the transport and storage of nuclear fuels or radioactive wastes**
- **the manufacture, use, storage, disposal and transport of radioisotopes for agricultural, industrial, medical and related scientific and research purposes**
- **the use of radioisotopes for power generation in space objects**

Also, the Republic of Korea will promptly provide those States which are or may be physically affected and the agencies in charge of the nuclear accident, directly or through the IAEA, with such available information relevant to minimizing the radiological consequences for those States. Currently, the National Competent Authority (NCA) for the convention is the Ministry of Science and Technology (MOST) and National Warning Point (NWP) is the KINS.

To assist other countries tracking orphan sources or dealing with radiological terror attacks, equipment, manpower or monetary support should be given. Currently, MOST has only the essential equipment to prepare for domestic radiological events.

However, if the situation is severe or significant, the Republic of Korea will do its best to assist other countries. Also, we will try to establish the capability to better support other countries.

1.16 The CTC is aware that the Republic of Korea may have covered some or all of the points in the preceding paragraphs in reports or questionnaires submitted to other organizations involved in monitoring international standards. The CTC would be content to receive a copy of any such report or questionnaire as part of the Republic of Korea's response to these matters as well as details of any efforts to implement international best practices, codes and standards which are relevant to the implementation of resolution 1373.

No specific information exists to cover those topics.

II. Assistance and guidance

2.2 The CTC is pleased to note that the Government of the Republic of Korea, at page 11 of its third report, shares the sense of urgency and necessity for the provision of assistance in the field of counter-terrorism to those countries in need and supports the facilitating role of the CTC. The Republic of Korea has indicated that it was interested in sharing its counter-terrorism experiences with other countries. The CTC therefore would appreciate it if the Republic of Korea would consider becoming an assistance donor in relation to the implementation of the Resolution. The assistance required by the States is posted on the CTC's Directory of Assistance (www.un.org/sc/ctc). Furthermore, the CTC would encourage the Government of the Republic of Korea to inform the CTC of any assistance it is currently providing to other States in connection with the implementation of the Resolution.

At present, the Korean government does not provide any assistance to other countries in connection with the implementation of the Resolution. The Korean government will consider positively the Committee's suggestion to become an assistance donor.

2.4 At this stage of its work, the CTC will focus on requests for assistance that relate to 'Stage A and B' matters. However, the assistance to be provided by one State to another on any aspect of the implementation of the Resolution is a matter for agreement between them. The CTC would be grateful to be kept informed of any such arrangements and their outcome.

No specific bilateral agreement exists at present.